

AMENDED IN ASSEMBLY APRIL 18, 2005

CALIFORNIA LEGISLATURE—2005–06 REGULAR SESSION

ASSEMBLY BILL

No. 699

Introduced by Assembly Member Chan

February 17, 2005

~~An act to add Section 14105.9815 to the Welfare and Institutions Code, relating to Medi-Cal. An act to amend Sections 14005.31, 14005.32, and 14011.16 of the Welfare and Institutions Code, relating to Medi-Cal.~~

LEGISLATIVE COUNSEL'S DIGEST

AB 699, as amended, Chan. Medi-Cal: ~~program redesign~~
~~semiannual status reports.~~

Existing law provides for the Medi-Cal program, which is administered by the State Department of Health Services and under which qualified low-income persons receive health care benefits.

~~Existing law generally defines a disproportionate hospital as a hospital that has disproportionately higher costs, volume, or services related to the provision of services to Medi-Cal or other low-income patients than the statewide average. Under existing law, an eligible disproportionate share hospital may receive supplemental Medi-Cal reimbursement.~~

~~This bill would state the intent of the Legislature that any "Medi-Cal redesign" statutes enacted during the 2005-06 Regular Session shall not disadvantage hospitals participating in the disproportionate share hospital supplemental reimbursement program.~~

~~Existing law requires a Medi-Cal beneficiary to file semiannual status reports and an annual reaffirmation form to report any changes that might affect the beneficiary's eligibility for the program.~~

This bill would eliminate the requirement that a beneficiary file a semiannual status report.

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~-yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 14005.31 of the Welfare and Institutions
2 Code is amended to read:

3 14005.31. (a) (1) Subject to paragraph (2), for any person
4 whose eligibility for benefits under Section 14005.30 has been
5 determined with a concurrent determination of eligibility for cash
6 aid under Chapter 2 (commencing with Section 11200), loss of
7 eligibility or termination of cash aid under Chapter 2
8 (commencing with Section 11200) shall not result in a loss of
9 eligibility or termination of benefits under Section 14005.30
10 absent the existence of a factor that would result in loss of
11 eligibility for benefits under Section 14005.30 for a person
12 whose eligibility under Section 14005.30 was determined
13 without a concurrent determination of eligibility for benefits
14 under Chapter 2 (commencing with Section 11200).

15 (2) Notwithstanding paragraph (1), a person whose eligibility
16 would otherwise be terminated pursuant to that paragraph shall
17 not have his or her eligibility terminated until the transfer
18 procedures set forth in Section 14005.32 or the redetermination
19 procedures set forth in Section 14005.37 and all due process
20 requirements have been met.

21 (b) The department, in consultation with the counties and
22 representatives of consumers, managed care plans, and Medi-Cal
23 providers, shall prepare a simple, clear, consumer-friendly notice
24 to be used by the counties, to inform Medi-Cal beneficiaries
25 whose eligibility for cash aid under Chapter 2 (commencing with
26 Section 11200) has ended, but whose eligibility for benefits
27 under Section 14005.30 continues pursuant to subdivision (a),
28 that their benefits will continue. To the extent feasible, the notice
29 shall be sent out at the same time as the notice of discontinuation
30 of cash aid, and shall include all of the following:

31 (1) A statement that Medi-Cal benefits will continue even
32 though cash aid under the CalWORKs program has been
33 terminated.

1 (2) A statement that continued receipt of Medi-Cal benefits
2 will not be counted against any time limits in existence for
3 receipt of cash aid under the CalWORKs program.

4 (3) A statement that the Medi-Cal beneficiary does not need to
5 fill out monthly status reports in order to remain eligible for
6 Medi-Cal, but shall be required to submit ~~a semiannual status~~
7 ~~report and~~ annual reaffirmation forms. The notice shall remind
8 individuals whose cash aid ended under the CalWORKs program
9 as a result of not submitting a status report that he or she should
10 review his or her circumstances to determine if changes have
11 occurred that should be reported to the Medi-Cal eligibility
12 worker.

13 (4) A statement describing the responsibility of the Medi-Cal
14 beneficiary to report to the county, within 10 days, significant
15 changes that may affect eligibility.

16 (5) A telephone number to call for more information.

17 (6) A statement that the Medi-Cal beneficiary's eligibility
18 worker will not change, or, if the case has been reassigned, the
19 new worker's name, address, and telephone number, and the
20 hours during which the county's eligibility workers can be
21 contacted.

22 (c) This section shall be implemented on or before July 1,
23 2001, but only to the extent that federal financial participation
24 under Title XIX of the federal Social Security Act (Title 42
25 U.S.C. Sec. 1396 and following) is available.

26 (d) Notwithstanding Chapter 3.5 (commencing with Section
27 11340) of Part 1 of Division 3 of Title 2 of the Government
28 Code, the department shall, without taking any regulatory action,
29 implement this section by means of all county letters or similar
30 instructions. Thereafter, the department shall adopt regulations in
31 accordance with the requirements of Chapter 3.5 (commencing
32 with Section 11340) of Part 1 of Division 3 of Title 2 of the
33 Government Code. Comprehensive implementing instructions
34 shall be issued to the counties no later than March 1, 2001.

35 *SEC. 2. Section 14005.32 of the Welfare and Institutions*
36 *Code is amended to read:*

37 14005.32. (a) (1) If the county has evidence clearly
38 demonstrating that a beneficiary is not eligible for benefits under
39 this chapter pursuant to Section 14005.30, but is eligible for
40 benefits under this chapter pursuant to other provisions of law,

1 the county shall transfer the individual to the corresponding
2 Medi-Cal program. Eligibility under Section 14005.30 shall
3 continue until the transfer is complete.

4 (2) The department, in consultation with the counties and
5 representatives of consumers, managed care plans, and Medi-Cal
6 providers, shall prepare a simple, clear, consumer-friendly notice
7 to be used by the counties, to inform beneficiaries that their
8 Medi-Cal benefits have been transferred pursuant to paragraph
9 (1) and to inform them about the program to which they have
10 been transferred. To the extent feasible, the notice shall be issued
11 with the notice of discontinuance from cash aid, and shall include
12 all of the following:

13 (A) A statement that Medi-Cal benefits will continue under
14 another program, even though aid under Chapter 2 (commencing
15 with Section 11200) has been terminated.

16 (B) The name of the program under which benefits will
17 continue, and an explanation of that program.

18 (C) A statement that continued receipt of Medi-Cal benefits
19 will not be counted against any time limits in existence for
20 receipt of cash aid under the CalWORKs program.

21 (D) A statement that the Medi-Cal beneficiary does not need
22 to fill out monthly status reports in order to remain eligible for
23 Medi-Cal, but shall be required to submit ~~a semiannual status~~
24 ~~report and~~ annual reaffirmation forms. In addition, if the person
25 or persons to whom the notice is directed has been found eligible
26 for transitional Medi-Cal as described in Section 14005.8,
27 14005.81, or 14005.85, the statement shall explain the reporting
28 requirements and duration of benefits under those programs, and
29 shall further explain that, at the end of the duration of these
30 benefits, a redetermination, as provided for in Section 14005.37
31 shall be conducted to determine whether benefits are available
32 under any other provision of law.

33 (E) A statement describing the beneficiary's responsibility to
34 report to the county, within 10 days, significant changes that may
35 affect eligibility or share of cost.

36 (F) A telephone number to call for more information.

37 (G) A statement that the beneficiary's eligibility worker will
38 not change, or, if the case has been reassigned, the new worker's
39 name, address, and telephone number, and the hours during

1 which the county's Medi-Cal eligibility workers can be
2 contacted.

3 (b) No later than September 1, 2001, the department shall
4 submit a federal waiver application seeking authority to eliminate
5 the reporting requirements imposed by transitional medicaid
6 under Section 1925 of the federal Social Security Act (Title 42
7 U.S.C. Sec. 1396r-6).

8 (c) This section shall be implemented on or before July 1,
9 2001, but only to the extent that federal financial participation
10 under Title XIX of the federal Social Security Act (Title 42
11 U.S.C. Sec. 1396 and following) is available.

12 (d) Notwithstanding Chapter 3.5 (commencing with Section
13 11340) of Part 1 of Division 3 of Title 2 of the Government
14 Code, the department shall, without taking any regulatory action,
15 implement this section by means of all county letters or similar
16 instructions. Thereafter, the department shall adopt regulations in
17 accordance with the requirements of Chapter 3.5 (commencing
18 with Section 11340) of Part 1 of Division 3 of Title 2 of the
19 Government Code. Comprehensive implementing instructions
20 shall be issued to the counties no later than March 1, 2001.

21 *SEC. 3. Section 14011.16 of the Welfare and Institutions*
22 *Code is amended to read:*

23 14011.16. (a) ~~Commencing August 1, 2003, the department~~
24 ~~shall implement a requirement for beneficiaries to file~~
25 ~~semiannual status reports as part of the department's procedures~~
26 ~~to ensure that beneficiaries make timely and accurate reports of~~
27 ~~any change in circumstance that may affect their eligibility. The~~
28 ~~department shall develop a simplified form to be used for this~~
29 ~~purpose. The department shall explore the feasibility of using a~~
30 ~~form that allows a beneficiary who has not had any changes to so~~
31 ~~indicate by checking a box and signing and returning the form~~
32 *Commencing July 1, 2006, the department shall eliminate the*
33 *requirement that recipients file semiannual status reports.*

34 (b) ~~Beneficiaries who have been granted continuous eligibility~~
35 ~~under Section 14005.25 shall not be required to submit~~
36 ~~semiannual status reports. To the extent federal financial~~
37 ~~participation is available, all children under 19 years of age shall~~
38 ~~be exempt from the requirement to submit semiannual status~~
39 ~~reports.~~

1 ~~(e) Beneficiaries whose eligibility is based on a determination~~
2 ~~of disability or on their status as aged or blind shall be exempt~~
3 ~~from the semiannual status report requirement described in~~
4 ~~subdivision (a). The department may exempt other groups from~~
5 ~~the semiannual status report requirement as necessary for~~
6 ~~simplicity of administration.~~

7 ~~(d) When a beneficiary has completed, signed, and filed a~~
8 ~~semiannual status report that indicated a change in circumstance,~~
9 ~~eligibility shall be redetermined.~~

10 ~~(e)–~~

11 ~~(b) Notwithstanding Chapter 3.5 (commencing with Section~~
12 ~~11340) of Part 1 of Division 3 of Title 2 of the Government~~
13 ~~Code, the department shall implement this section by means of~~
14 ~~all county letters or similar instructions without taking regulatory~~
15 ~~action. Thereafter, the department shall adopt regulations in~~
16 ~~accordance with the requirements of Chapter 3.5 (commencing~~
17 ~~with Section 11340) of Part 1 of Division 3 of Title 2 of the~~
18 ~~Government Code.~~

19 ~~(f) This section shall be implemented only if and to the extent~~
20 ~~federal financial participation is available.~~

21 ~~SECTION 1. Section 14105.9815 is added to the Welfare and~~
22 ~~Institutions Code, to read:~~

23 ~~14105.9815. It is the intent of the Legislature that any~~
24 ~~“Medi-Cal redesign” statutes enacted during the 2005–06~~
25 ~~Regular Session shall not disadvantage hospitals participating in~~
26 ~~the disproportionate share hospital supplemental reimbursement~~
27 ~~program.~~